

THE WHITE HOUSE

WASHINGTON

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Herewith the  
Presidents' statement  
are discussed.

Delightful party last  
night!

Tom

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Office of the White House Press Secretary

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THE WHITE HOUSE

INTERVIEW OF THE PRESIDENT BY MR.  
DAVID BRINKLEY AND MR. CHET HUNTLEY  
FOR THE HUNTLEY-BRINKLEY REPORT,  
THE PRESIDENT'S OFFICE, WASHINGTON,  
D.C., SEPTEMBER 9, 1963

THE PRESIDENT: On the whole, I think this country has done an outstanding job. A good many countries today are free that would not be free. Communism's gains since 1945 in spite of chaos and poverty have been limited, and I think the balance of power still rests with the West, and I think it can increase our strength if we make the right decisions this year, economically here at home and in the field of foreign policy. Two matters that we have been talking about are examples of that. One is the tax cut which effects our economic growth, which effects the whole movement of this country internally; the Test Ban Treaty which effects our security abroad and our leadership. That is why I think it is very important that the Senate pass it. You know the old story that who prepares for battle that the trumpet blows an uncertain sound. Well, I think that if the United States Senate rejected that treaty after the Government has committed itself to it, the sound from the United States around the world would be very uncertain.

MR. HUNTLEY: Mr. President, in respect to our difficulties in South Viet Nam, could it be that our government tends occasionally to get locked into a policy or an attitude and then finds it difficult to alter or shift that policy?

THE PRESIDENT: Yes, that is true. I think in the case of South Viet Nam we have been dealing with a government which is in control, has been in control for 10 years. In addition, we have felt for the last two years that the struggle against the communists was going better. Since June, however, the difficulties with the Buddhists, we have been concerned about a deterioration, particularly in the Saigon area, which hasn't been felt greatly in the outlying areas but may spread. So we are faced with the problem of wanting to protect the area against the communists. On the other hand, we have to deal with the government there. That produces a kind of ambivalence in our efforts which exposes us to some criticism. We are using our influence to persuade the government there to take those steps which will win back support. That takes some time and we must be patient, we must persist.

MR. HUNTLEY: Are we likely to reduce our aid to South Viet Nam now?

THE PRESIDENT: I don't think we think that would be helpful at this time. If you reduce your aid, it is possible you could have some effect upon the government structure there. On the other hand, you might have a situation which could bring about a collapse. Strongly in our mind is what happened in the case of China at the end of World War II, where China was lost, a weak government became increasingly unable to control events. We don't want that.

MR. BRINKLEY: Mr. President, have you had any reason to doubt this so-called "Domino Theory", that if South Viet Nam falls, the rest of Southeast Asia will go behind it?

THE PRESIDENT: No, I believe it. I believe it. I think that the struggle is close enough. China is so large, looms so high just beyond the frontiers, that if South Viet Nam went, it would not only give them an improved geo-

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graphic position for a guerilla assault on Malaya, but would also give the impression that the wave of the future in Southeast Asia was China and the communists. So I believe it.

MR. BRINKLEY: In the last 48 hours there have been a great many conflicting reports from there about what the CIA was up to. Can you give us any enlightenment on it?

THE PRESIDENT: No.

MR. HUNTLEY: Does the CIA tend to make its own policy? That seems to be the debate here.

THE PRESIDENT: No, that is the frequent charge, but that isn't so. Mr. McCone, head of the CIA, sits in the National Security Council. We have had a number of meetings in the past few days about events in South Viet Nam. Mr. McCone participated in every one, and the CIA coordinates its efforts with the State Department and the Defense Department.

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MR. BRINKLEY: With so much of our prestige, money, so on, committed in South Viet Nam, why can't we exercise a little more influence there, Mr. President?

THE PRESIDENT: We have some influence. We have some influence, and we are attempting to carry it out. I think we don't -- we can't expect these countries to do everything the way we want to do them. They have their own interest, their own personalities, their own tradition. We can't make everyone in our image, and there are a good many people who don't want to go in our image. In addition, we have ancient struggles between countries. In the case of India and Pakistan, we would like to have them settle Kashmir. That is our view of the best way to defend the subcontinent against communism. But that struggle between India and Pakistan is more important to a good many people in that area than the struggle against the communists. We would like to have Cambodia, Thailand and South Viet Nam all in harmony, but there are ancient differences there. We can't make the world over, but we can influence the world. The fact of the matter is that with the assistance of the United States, SEATO, Southeast Asia and indeed all of Asia has been maintained independent against a powerful force, the Chinese Communists. What I am concerned about is that Americans will get impatient and say because they don't like events in Southeast Asia or they don't like the government in Saigon, that we should withdraw. That only makes it easy for the communists. I think we should stay. We should use our influence in as effective a way as we can, but we should not withdraw.

MR. HUNTLEY: Someone called the Civil Rights issue in 1964, I think, the fear of the political unknown. Would you agree?

THE PRESIDENT: Yes. I think that what they are wondering is what effect this will have, whether the North, which has supported Civil Rights in the past, will continue to support it. I think they will. I think the bill we put in is a reasonable bill, and I think that my judgment is that we will not divide this country politically into Negroes and whites. That would be a fatal mistake for a society which should be as united as ours is. I think it should be divided, in other words, Republicans and Democrats, but not by race.

MR. HUNTLEY: But in the Congress, do you see the issue coming down to a full scale test of strength or do you see it ending in a compromise?

THE PRESIDENT: We don't start off with a compromise. I hope it is going to pass as close to the form in which we sent it up as possible.

MR. BRINKLEY: Do you plan to see President Tito this Fall, Mr. President?

THE PRESIDENT: Well, I don't know. It would depend in part, and there are other presidents who will be coming to the United Nations, and I would expect to see most of them.

MR. BRINKLEY: Mr. President, Harry Truman was out for his walk this morning and he said he did not think we should have a tax cut until we get the budget balanced, and the other day Senator Humphrey was saying in the Senate that what the American people think is true is very often more important than what actually is true. In view of all that, what do you think about cutting taxes while the budget is still in deficit?

THE PRESIDENT: The reason the government is in deficit is because you have more than four million people unemployed, and because the last

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five years you have had rather a sluggish growth, much slower than any other Western country. I am in favor of a tax cut because I am concerned that if we don't get the tax cut that we are going to have an increase in unemployment and that we may move into a period of economic downturn. We had a recession in '58, a recession in 1960. We have done pretty well since then, but we still have over four million unemployed. I think this tax cut can give the stimulus to our economy over the next two or three years. I think it will provide for greater national wealth. I think it will reduce unemployment, I think it will strengthen our gold position. So I think that the proposal we made is responsible and in the best interests of the country. Otherwise, if we don't get the tax cut, I would think that our prospects are much less certain. I think the Federal Reserve Board has indicated that. 1964 is going to be an uncertain time if we don't get the tax cut. I think that to delay it to 1964 would be very unwise. I think our whole experience in the late '50's shows us how necessary and desirable it is. My guess is that if we can get the tax cut with the stimulus it will give to the economy, that we will get our budget in balance quicker than we will if we don't have it.

MR. HUNTLEY: The affirmative economic response to Britain's tax cut seemed to be almost immediate. Would it be as immediate in this country, do you think?

THE PRESIDENT: I think it would be. Interestingly enough, the British came forward with their tax cut in April, passed it within a month, they have experienced economic benefits from it. Unemployment has been substantially reduced. They have a larger deficit than we do. Yet the only criticism was that it wasn't enough. Nearly every economist has supported us. I think it is in the best economic interests of the country, unless this country just wants to drag along, have five or six million people unemployed, have profits reduced, have economic prospects, have our budgets unbalanced by a much larger proportion. The largest unbalanced budget in the history of this country was in 1958 because of the recession, twelve and a half billion dollars. The fact of the matter is that, of course, government expenditures do go up in every Administration, but the country's wealth goes up. President Eisenhower spent \$185 billion more than President Truman. But the country was much more wealthier. It is much wealthier now than it was in the last year of President Eisenhower's Administration. I think our economic situation can be very good. I think what we have proposed is a responsible answer to a problem which has been part of our economic life for five or six years, and that is slack, failure to grow sufficiently, relatively high unemployment. If you put that together with the fact that we have to find 35,000 new jobs a week, I think the situation in this country calls for a tax reduction this year.

MR. HUNTLEY: Thank you, Mr. President.

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